



MONTANA STATE AUDITOR
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FACT SHEET

WILDFIRES

Q & A with Auditor John Morrison

As Forest Fire Season Heats Up, Auditor John Morrison Offers Insurance and Safety Advice



Q: With forest fire season underway in Montana I'm concerned about the possibility of a fire reaching my property. I live in a wooded area. How can I make my home more resistant to forest fires and make sure my family and possessions are protected?

A: Montana fire officials have activated restrictions on public lands because of current bone-dry conditions and forecasts for continued hot, dry weather. Several fires this year have threatened homes and personal property.

Because this season has potential for big fires, the time to make sure you have appropriate insurance is before the fire hits.

There are different levels and types of insurance. A basic homeowner's policy covers some fire damage including:

- Smoke damage to your property, as well as the belongings inside;
- Damages resulting from fire-retardant drops;
- Additional living expenses for up to two weeks (possibly longer if there is structural damage) if you are evacuated from your home.
- Scorched yards, trees, shrubs, etc. are also usually covered, but there are limits placed on the amount you may claim.

Your coverage needs may vary depending on factors including the type of home or building you own, its contents and whether you have a home-based business. Talk to your agent about the coverage that is best for you and tailor a policy to meet your needs.

Although insurance can provide some security for your family, fire prevention should be your most important consideration. There are a number of things you can do to make your home more fire resistant. The insurance company won't reimburse you directly for any of the improvements. However, adding fire resistant features may entitle you to discounts on future insurance premiums that would help to defray your costs over time.

No matter where you live, the roof of your house will be highly vulnerable to outside sources of fire. Generally speaking, homeowners should consider using fire-resistant building materials for any exterior building or remodeling project.

Homes built in a wooded area should have a safety zone of 100 feet. Clear and dispose of trees, leaves, twigs, pine needles and rubbish within 100 feet of any structure on your property. Firewood and butane or propane tanks should be located at least 30 feet from all flammable structures and uphill from them, if possible.

Inside your home, properly maintained smoke detectors and fire extinguishers are your best defense, and fire alarm and sprinkler systems are also options. Consider placing a fire extinguisher in exterior areas such as the garage, a workshop or any outlying buildings.

If you do not have access to a community water system or other adequate water source, consider sharing the cost of a water storage tank with neighbors or purchase one on your own. Garden hoses should be long enough to reach all areas of the home and any other structures on the property.

Exercising good maintenance habits in the area surrounding your home will provide some protection if a fire breaks out nearby. Before deciding on additional fire safety measures, talk with your insurance agent. Knowing what insurance discounts may be available will help you get the most fire protection for your money.

If you are the victim of a fire and your home is destroyed, your insurance company will ask you for an inventory of the contents of your home. They may ask about the condition of your furniture, the age of it or an estimate of the cost. If you kept records of these purchases and the records are destroyed in the fire, this can prove to be a challenge.

It may be a good idea to take pictures of each room in your house or video tape the inside of your home to have a record of your contents. Your pictures or film should be stored in a fire proof box or in a safe place away from your residence. You may want to keep your insurance policy and agent contact information in a fire proof box as well. This way you will have easy access to determine what coverage you have and what you need to do to get the claim expedited.

Also, if you do need to have repairs completed, be aware of property repair fraud. People who are victims of a disaster are often "ripe pickings" for consumer fraud involving home repair rip-off artists who may overcharge, perform shoddy work or skip town without finishing your job.

Because many legitimate licensed home repair companies can be booked solid for months, frustrated and anxious homeowners and landlords, eager to get their property back in shape, may neglect to take the usual precautions when hiring contractors. As a result, some consumers find that they've hired part-time contractors, who may not get the job done in a reasonable time; contractors from surrounding areas, who may be difficult to track down for follow-up; inexperienced contractors, who may not do the job well; and all too often, just plain crooks, who are seizing the opportunity to make a fast buck.

The State Auditor's Office offers the following tips for consumers who may be facing major repairs after a disaster hits home:

- Deal only with licensed and insured contractors. Verify the track record of any roofer, builder or contractor you're thinking of hiring. Ask for a list of recent customers and call them.
- Get recommendations from friends, relatives, neighbors, co-workers, insurance agents or claims adjusters. Also check with the local Better Business Bureau and Home Builders Association to see if complaints have been lodged against any contractor you're considering.
- Take your time about signing a contract. Get a written estimate that includes any oral promises the contractor made. But remember to ask if there's a charge for an estimate before allowing anyone into your home. Ask for explanations for price variations, and don't automatically choose the lowest bidder. Get a copy of the final, signed contract before the job begins.
- Resist dealing with any contractor who asks you to pay for the entire job up-front. A deposit of one-third of the total price is standard procedure. Pay only by check or credit card - and pay the final amount only after the work is completed to your satisfaction. Don't pay cash.
- Be skeptical of contractors who encourage you to spend a lot of money on temporary repairs. Make sure there's enough money for permanent repairs.
- Ask a knowledgeable friend, relative or attorney to review a home repair contract before you sign. If you get a loan to pay for the work, be cautious about using your home as security: If you don't repay the loan as agreed, you could lose your home. Consider asking an attorney to review the loan documents, as well.

If you have questions about your insurance policy, an agent or a company, or you suspect that repair fraud has been committed call my office at 1-800-332-6148 or visit our Web site at www.sao.mt.gov.